



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Approve Purchase of AS/400 Operating Software and Disk Upgrade

MEETING DATE: February 3, 1999

PREPARED BY: Finance Director

RECOMMENDED ACTION: That the City Council approve purchase of AS/400 Operating Software and Disk upgrade.

BACKGROUND INFORMATION: During 1997-98 Council approved the funding for the upgrade to the AS/400 Operating System software and the additional disk storage as required by the specifications included in the Orcom Customer Information Systems Software. Staff is requesting approval to move forward with the purchase at this time.

On July 16, 1997 Council authorized the lease/purchase of an AS/400 RISC computer so that "mission critical" application software could be replaced prior to the year 2000. The established operating system version at the time was Version 3, Release 7. This was implemented with the expectation of upgrading to Version 4 when the software was considered reliable. The upgraded operating system is needed to complete the implementation of the JD Edwards and Orcom software.


In addition, staff is recommending the city take advantage of IBM's "software subscription" approach to operating system and supplemental software. Effective with Version 4, the city will pay a one-time upgrade cost for Version 4, followed by an annual subscription cost for all subsequent upgrades. With this program the cost for staying "current" on the operating system is revised to a more manageable annual cost rather than the greater cost associated with a version-by-version upgrade.

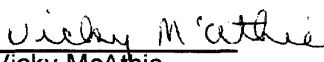
On April 15, 1998 Council authorized the purchase of Orcom's Customer Information Systems Software and the funding for the additional disk storage for the AS/400 as required in the specifications included in the Orcom contact. The Finance Department is rapidly moving toward the implementation of the application software.

For efficiency, staff is recommending purchasing and installing the operating software and disk upgrades at the same time.

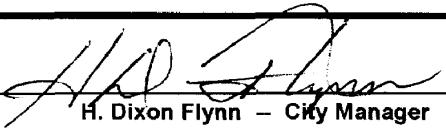
FUNDING: Current budget

Hardware – disk upgrade	\$ 48,100 (plus sales tax and shipping)
Software – operating system	\$ 50,500 (plus sales tax and shipping)
Software subscription 1999	\$ 15,600


Stan Helmle
Information Systems Manager


Vicky McAthie
Finance Director

APPROVED:


H. Dixon Flynn – City Manager

RESOLUTION NO. 99-12

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING PURCHASE OF
AS/400 OPERATING SOFTWARE AND DISK UPGRADE

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WHEREAS, Lodi Municipal Code, §3.20.070, authorizes dispensing with bids for purchases of supplies, services or equipment when it is in the best interests of the City to do so; and

WHEREAS, during the 1997-98, the City Council approved the funding for the upgrade to the AS/400 Operating System software and the additional disk storage as required by the specifications included in the Orcom Customer Information Systems Software, and staff is moving forward with the purchase at this time; and

WHEREAS, on July 16, 1997 the City Council authorized the lease/purchase of an AS/400 RISC computer so that "mission critical" application software could be replaced prior to the year 2000; and

WHEREAS, the established operating system Version 3, Release 7 now needs to be upgraded to Version 4 in order to complete the implementation of the JD Edwards and Orcom Software; and

WHEREAS, in addition, staff recommends that the City take advantage of IBM's "software subscription" effective with Version 4, whereas the City will pay a one-time upgrade cost, followed by an annual subscription cost for all subsequent upgrades; and

WHEREAS, with this program the cost for staying current on the operating system is revised to a more manageable annual cost rather than the greater cost associated with a version-by-version upgrade; and

WHEREAS, on April 15, 1998 the City Council authorized the purchase of Orcom's Customer Information Systems Software and the funding for the additional disk storage for the AS/400 as required in the specifications included in the Orcom contract; and

WHEREAS, staff recommends purchasing and installing the operating software and disk upgrades at the same time.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby approves the purchase of AS/400 Operating Software and Disk upgrade in the approximate amount of \$124,000.00.

Dated: February 3, 1999

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I hereby certify that Resolution No. 99-12 was passed and adopted by the City Council of the City of Lodi in a regular meeting held February 3, 1999, by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Mann, Nakanishi, Pennino and
Land (Mayor)

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


ALICE M. REIMCHE
City Clerk